



STATE OF TENNESSEE
BUREAU OF TENNCARE
310 Great Circle Road
NASHVILLE, TENNESSEE 37243

August 18, 2008

Dear Provider:

As you may know, TennCare is in the process of making significant changes in our service delivery system in the West and East Grand Regions of the state. These changes mirror changes recently successfully implemented in Middle Tennessee and include:

- Integration of physical and behavioral health services
- A return to full-risk managed care

A competitive bid process was used to select two highly qualified MCOs to serve TennCare members in each grand region. The winning health plans for both West and East Tennessee are:

- AmeriChoice (UnitedHealth Plan of River Valley, Inc.)
- BlueCare (Volunteer State Health Plan, Inc.)

AmeriChoice operates as a business unit of UnitedHealth Group and serves more than two million beneficiaries of government health care programs in 21 states and the District of Columbia. Volunteer State Health plan and its subsidiaries provide a comprehensive range of group and individual health insurance plans, products and services to more than five million people nationwide. Both plans are well capitalized and have extensive Medicaid managed care experience.

Efforts are well underway toward the planned transition dates of:

- November 1, 2008 – West Tennessee
- January 1, 2009 – East Tennessee

Under the new service delivery model, each MCO will receive a capitated per member per month payment to manage the physical and behavioral (mental health and substance abuse) benefit for all assigned members. Both plans currently participate in TennCare and their familiarity with the program should help ensure a smooth transition for our members.

As a provider, you are the backbone of TennCare's efforts to provide accessible, high quality health care services to our members. We hope you find the enclosed information useful as you move with us into this next phase in TennCare's development.

Thank you for your ongoing commitment to address the health care needs of Tennessee's most vulnerable citizens.

Sincerely,

A handwritten signature in dark ink, appearing to read "Darin J. Gordon".

Darin J. Gordon
Director

cc: Eric Paul, CEO, AmeriChoice
Sonya Nelson, CEO, BlueCare